(c) whether such financial assistance has been sought by any public sector units in Kerala; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Funds are allocated to sick PSUs based on the approval of the revival plan by the Government. The revival plans include *inter alia*, write off of outstanding loans, conversion of outstanding loans into equity, waiver of interest due to Government and grant of assistance for voluntary retirement scheme and infusion of resh funds.

During the year 1996-97, revival packages for Heavy Engineering Corporation. Scooters India Ltd., Bharat Refractories, Hindustan Paper Corporation (Nagaland Pulp & Paper Corporation), three subsidiaries of Bharat Yantra Nigam and two of Bharat Bhari Udyog Nigam were approved by the Government.

A Statement showing the provision made in the revised estimates of 1996-97 for revitalisation of sick PSUs is enclosed.

(c) and (d) Revival Plan of Instrumentation Ltd., Kota which has a unit in Palghat (Kerala) has been received. The plan includes, *inter alia*, financial restructuring, infusion of fresh funds and provision of Government guarantee etc. No decision has yet been taken on the proposal.

Statement

The following provisions were made in the revised estimates of 1996-97 for revitalisation of sick PSUs :

(Rs. in crore)

(i)	Write off of outstanding Government loans		
	(a) Bharat Yantra Nigam		14.65
	(b) Hindustan Paper Corpn. Ltd.		26.45
	(c) Scooter India Ltd.		139.60
		Total :	183.60
(ii)	Waiver of interest due to Government		
	(a) Subsidy for payment of interest by NEEPCO		35.46
	(b) Bharat Yantra Nigam Ltd.		151.13
	(c) Bharat Bhari Udyog Ltd.		101.14
	(d) Hindustan Paper Corpn. Ltd.		147.52
	(e) Heavy Engineering Corporation		272.00
	(f) Scooter India Ltd.		454.09
	(g) Bharat Refractories Ltd.		61.64
		Total :	1222.98
(iii)	Conversion of outstanding loans into equity (token provision made)		
	(a) Bharat Yantra Nigam Ltd.		71.16
	(b) Bharat Bhari Udyog Nigam Ltd.		63.66
	(c) Hindustan Paper Corporation Ltd. (Nagaland Paper & Pulp Co. Ltd.)		71.38
	(d) Scooter India Ltd.		27.22
	(e) Heavy Engineering Corpn. Ltd.		99.41
	(f) Bharat Refractories Ltd.		39.76
		Total :	373.03
(iv)	Grant assistance for implementation of voluntary retirement scheme, etc.		220.21

2. In Addition to the above, Non-Plan loans for a total amount of Rs. 1453.54 crore were provided in RE 1996-97 to public sector enterprises which included Rs. 1216.30 crore for meeting cash losses. Plan investments in PSUs comprising equity and loans are over and above these Non-Plan loans.

Plan investment and non-Plan loans, to the six PSUs for which the revival plans were sanctioned in the year 1996-97 were Rs. 52.57 crore and Rs. 101.72 crore, respectively.

Non-Performing Assets

4933. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state:

(a) whether the Government have formulated any strategies for tracing the emerging non-performing assets (N.P. As) and effective recoveries; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Reserve Bank of India (RBI) has taken several measures both to contain the growth of NPAs and also to reduce their existing levels. Some of the measures taken by RBI are indicated below:

A system of classifying assets of the bank as performing or non-performing was introduced in 1992, based on the recommendations of the Narasimham Committee. The classification is based on objective criteria relating to recovery to ensure uniformity in assessing the quality of assets. The level of non-performing assets (NPAs) reflect the quality of the credit portfolio of banks.

Income is recognised only on realisation basis and hence profitability of banks essentially depends on the management of NPAs. On the basis of RBI's advice, banks have laid down loan policy, loan recovery policy and are required to review accounts periodically. Banks are, therefore, required to adress the management of NPAs through well defined policies and strategies. RBI has also introduced off-site quarterly monitoring system in additional to annual financial inspection.

Banks have been advised to have the loan recovery policies. The policy prescribes the manner of recovery of dues, targetted level of reduction (period-wise), norms for permitted sacrifice/waiver, factors to be taken into account before considering waivers, decision levels, reporting to higher authorities and monitoring of write-off/waivers.

Recovery cells have been set up at Head Quarter under the charge of General Manager. Branch-wise targets for recoveries are fixed. Recoveries are reviewed by CMD on monthly basis and by Board of Directors on quarterly basis.

Debt recovery Tribunals have been set up at Delhi, Calcutta, Bangalore, Ahmedabad, Jaipur, Patna, Chennai and Guwahati and Appellate Tribunal at Mumbai to expedite early settlement of suit filed cases.

Compilation and circulation of list of defaulters having default of Rs. 1 crore and above and publication of suit filed, defaulter accounts by RBI on annual basis.

RBI also reviewed top 100 accounts of public sector banks in each category as on 31.3.95 with particulars of staff accountability.

Contribution into RRBS

4934. SHRI HARADHAN ROY : Will the Minister of FINANCE be pleased to state:

(a) the details of State Governments and the sponsored banks who have failed to contribute its proportion additional share to the Regional Rural Banks where the Union Government has already contributed its own additional share; and

(b) the names of sponsore banks that have failed to place the entire capital support at the disposal of respective RRBs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) The information is being collected and will be laid on the Table of the House, to the extent possible.

Malabar Gramin Bank of Kerala

4935. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of FINANCE be pleased to state:

(a) the details of the profit/loss incurred by the North Malabar Gramin Bank and South Malabar Gramin Bank in Kerala during each of the last three years;

(b) whether Government propose to open branches of the said banks in the near future; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) (a) As reported by National Bank for Agriculture & Rural Development (NABARD), the profit earned during the last three years by the Regional Rural Banks (RRBs) is as follows :

(Rs. in lakhs)

Name of the RRB	Profit earned		
	1993-94	1994-95	1995-96
1. North Malabar Gramin Bank	52.44	215.46	218.92
2. South Malabar Gramin Bank	125.31	210.50	51.82

(Data Provisional)

(b) and (c) BABARD has reported that the North Malabar Gramin Bank's proposal to open a branch at Mattanoor was approved by Reserve Bank of India (RBI) in August, 1996 and the branch has since been operationalised. Further, the proposal of South Malabar Gramin Bank to open a branch at Badagara was approved by RBI in May, 1996 and this branch was operationalised in June, 1996.

P.F. Dues

4936. SHRI JAYANTA BHATTACHARYA :Will the Minister of LABOUR be pleased to state :

(a) whether the Government are aware that Mining and Allied Machinery Corporation, Durgapore, West Bengal, defaulted in depositing a sum of Rs. 34 Crore (Rupees Thirty-four Crore only) towards the Management's Share of Provident Fund;

(b) if so, the steps for realisation of the same have so far been taken and the results thereof; and

(c) the proposal of the Government to pay the P.F. dues of the retired and dependants of the retired employees?

THE MINISTER OF LABOUR (SHRI M. ARUNACHALAM) : (a) According to available information upto February, 1997, the Mining and Allied Machinery Corporation, Durgapore, West Bengal is in default of depositing a sum of Rs. 12.07 Crore towards the Management's share of Provident Fund.

(b) Revenue recovery certificate was issued and complaint filed with the Police authorities to recover the dues. As a result, the management has deposited Rs. 25 lakh to the Board of Trustees. This establishment is registered with BIFR.

(c) The Management of the Corporation has been asked to provide specific deposits for payment of PF dues of the retired and dependants of retired employees.

Recognition of N.C.V.T.

4937. SHRI S. AJAY KUMAR : Will the Minister of LABOUR be pleased to state :

(a) whether the recognition of NCVT is required for the technical institute (ITI);

(b) if so, the number of I.T.I's not having NCVT recognition in Kerala;